

CALFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM BOARD OF ADMINISTRATION BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE

MINUTES OF MEETING

March 18, 2008



A meeting of the Benefits and Program Administration Committee (BPAC) was held on Tuesday, March 18, 2008, in the Robert F. Carlson Auditorium, 400 Q Street, Sacramento, California.

The meeting was called to order at 9:02 a.m. and the following Committee Members were present:

Kurato Shimada, Chair Rob Feckner, Vice Chair John Chiang George Diehr David Gilb Henry Jones Priya Mathur Louis F. Moret Tony Oliveira

Other Board members present:

Anne Sheehan James Zerio

AGENDA ITEM 2 – APPROVAL OF THE FEBRUARY 20, 2008 BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE MEETING MINUTES

On **MOTION** by Mr. Chiang, **SECONDED** and **CARRIED**, the minutes were approved as presented.

AGENDA ITEM 3 – ELECTIONS OF COMMITTEE CHAIR AND VICE CHAIR OF THE BENEFITS AND PROGRAM ADMINISTRATION COMMITTEE

The Committee unanimously elected Kurato Shimada as Chair and Rob Feckner as Vice Chair.

AGENDA ITEM 4 – LEGISLATION

Wendy Notsinneh, Chief, Office of Governmental Affairs, presented bills with a recommendation of support.

4-A. **Support,** AB 1844 (Hernandez). Public Employees Benefits. This bill would increase transparency and accountability of pension and Other Post-Employment Benefit (OPEB) funding, and enhance CalPERS' ability to respond to instances of disability fraud.

On **MOTION** by Dr. Diehr, **SECONDED** and **CARRIED**, that the Board support Assembly Bill 1844 by Assembly Member Hernandez.

4-B. **Support,** SB 1123 (Wiggins). Public Employee Benefits: Best Practices and Disclosure. This bill would improve pension and other post-employment benefit (OPEB) cost reporting and disclosure requirements, and to establish an expert panel to study and review actuarial policies and standards.

On **MOTION** by Mr. Oliveira, **SECONDED** and **CARRIED**, that the Board support Senate Bill 1123 by Senator Wiggins.

AGENDA ITEM 5 – PROPOSED AMENDMENTS TO BOARD OF ADMINISTRATION ELECTION REGULATIONS

Rick Nelson, Chief, Operations Support Services Division, submitted proposed regulation amendments.

Public comment was received from James McRitchie.

On **MOTION** by Dr. Diehr, **SECONDED** and **CARRIED**, that the Board approve the proposed amendments to the Board of Administration election regulations to Title 2 of the California Code of Regulations, Section 554.2, Notice of Election and Section 554.3, Nomination of Candidates.

AGENDA ITEM 6 – EFI'S PARALLEL VALUATION AND CERTIFICATION OF THE STATE AND SCHOOLS AS OF JUNE 30, 2006

Alan Milligan, Managing Actuary, presented EFI's parallel valuation and certification report.

On **MOTION** by Mr. Feckner, **SECONDED** and **CARRIED**, that the Board approve EFI's report on the June 30, 2006 parallel valuation and certification of the actuarial valuation of the State and Schools plans in completion of Task 5 of Contract 2003-3236.

AGENDA ITEM 7 – ENTERPRISE TRANSITION MANAGEMENT PROJECT UPDATE

Fred Buenrostro, Chief Executive Officer, introduced the Enterprise Transition Management (ETM) project update. John Hiber, Assistant Executive Officer, Administrative Services Branch, gave an overview of the project. Kristie Santos, Chief, Enterprise Transition Management Project and Teri Bennett, Assistant Executive Officer, Information Technology Services Branch, presented materials demonstrating the key relationships between ETM and PSR.

At the direction of the Chair, an ETM update will be on the monthly BPAC agenda and a workshop will be scheduled for April 2008. The Chair provided direction to continue with the ETM effort and requested a list of all PSR/ETM consultants.

AGENDA ITEM 8 – Calpers 2008 RETIREMENT PLANNING FAIRS

Ron Kraft, Chief, Customer Services and Education Division, presented the plan for the 2008 Retirement Planning Fairs.

AGENDA ITEM 9 – PUBLIC EMPLOYEE POST-EMPLOYMENT BENEFITS COMMISSION UPDATE

Ken Marzion, Assistant Executive Officer, Actuarial and Employer Services, discussed his final report summarizing the implementation of the Commission's recommendations.

AGENDA ITEM 10 – CHIEF ACTUARY REPORT

Ron Seeling, Chief Actuary, submitted his matrix. He will be mailing correspondence to Ms. Elizabeth Hill of the Legislative Analyst's Office in response to the analysis of the 2008-2009 Budget Bill.

AGENDA ITEM 11 - ASSISTANT EXECUTIVE OFFICER REPORT

Kathie Vaughn discussed her updated matrix.

AGENDA ITEM 12 - DRAFT AGENDA FOR APRIL 22, 2008 MEETING

The following addition was made to the draft April 22, 2008 agenda:

1. Enterprise Management Transition (ETM) Update

AGENDA ITEM 13 – PUBLIC COMMENT

There was no public comment.

The next meeting of the Benefits and Program Administration Committee is scheduled for April 22, 2008, at 9:00 a.m., in Sacramento, California.

FRED BUENROSTRO
Chief Executive Officer